



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor  
Ted Stewart  
Executive Director  
James W. Carter  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340  
801-359-3940 (Fax)  
801-538-5319 (TDD)

BOND FILE  
~~M/037/012~~  
M/037/023

December 10, 1993

TO: James W. Carter, Director *JO - see response below*  
THRU: Lowell P. Braxton, Associate Director, Mining *LPB*  
THRU: D. Wayne Hedberg, Permit Supervisor *DWH*  
FROM: Holland W. Shepherd, Senior Reclamation Specialist *HWS*  
SUBJECT: Reclamation Surety Updates, Pandora, Calliham, Velvet and Rim-Columbus, Umetco Minerals Corporation, M/037/012, M/037/023, M/037/040, M/037/006, San Juan County, Utah

Umetco Minerals Corporation recently submitted several surety updates for the following uranium mine properties:

1.	Pandora	M/037/012	(\$67,500)
2.	Calliham	M/037/023	(\$34,800)
3.	Velvet	M/037/040	(\$63,900)
4.	Rim-Columbus	M/037/006	(\$37,200)

The operator submitted these new sureties because of a Corporate decision to change surety carriers (Seaboard Surety Company to General Insurance Company of America). After receiving notification of the proposed change in surety companies, we asked that the to operator submit updated/escalated surety amounts to correspond to 1998 dollars.

For the Calliham, Velvet, and Rim-Columbus, the operator has submitted amended sureties and Reclamation Contract forms. The Division returned the old sureties to the operator October 19, 1993, with a letter under Jim Carter's signature. The operator has requested that we also release the old surety for the Pandora (see attached November 18, 1993 letter). The Pandora request came as a separate request from the other three, so has not been acted on yet,

The main question being asked, is whether or not we need to go through the Board to accept these new escalated sureties? The form hasn't changed, but the amount has received our standard 5-year escalation. The base amount (original amount estimated) remains the same. Nothing else has changed. The mines remain inactive and in temporary suspension. Would these minor amendments to the reclamation surety constitute significant enough changes to trigger the requirement of formal Board approval, or can we just solicit signatures from Jim and Dave Laurisky? Also, can we go ahead and release the old Pandora bond at this time, since we do have a replacement surety in effect? Thank you for your time and consideration of this request.

jb  
Attachment  
UMETCO.SUR



*\* Jim: I suggest we try to do this at your level with Dave Laurisky. 12/13*  
*Lowell: I agree. Let's proceed in that manner. J.C.*